

Critical Lender Update: Fix Up Loan Program Changes

Recording Date: June 26, 2018

Effective Date: July 2, 2018





Our Mission

Housing is the foundation for success, so we collaborate with individuals, communities and partners to create, preserve and finance affordable housing.

Webinar Topics

- Income
- Application
- Interest rate & term
- Other changes
- Website tour
- Contact Minnesota Housing

Income Limits

Currently, \$104,000 across the state

• As of July 2, 2018:

11-County Twin Cities Metro Area*	Dodge and Olmsted Counties	All Other Counties
\$141,000	\$141,000	\$125,900

^{*}The 11-county Twin Cities Area is defined as: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright Counties

Qualifying Income

- Qualifying income determines program eligibility
 - Must have qualifying/underwriting income standards in place
- A separate program eligibility income calculation will no longer be required
- An underwriting worksheet must be included in every file
- Energy and Accessibility loan will still have no income limit

Application Options

Option 1: Minnesota Housing Credit Application

Updated version

Option 2: Certain Industry Standard Applications

- Must include <u>Minnesota</u> <u>Housing addendum</u>
- 1003 can be uploaded into the Commitment System

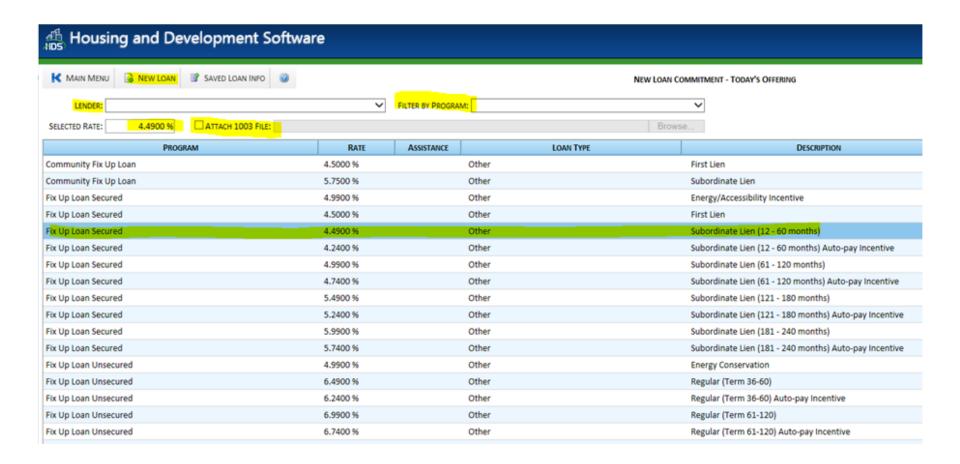
REQUIRED with either option:

Must include an **underwriting worksheet** in the file – use your own or Minnesota Housing's worksheet

Interest Rate Changes

- Minnesota Housing to review and adjust interest rates quarterly
- Tiered interest rates based on term
- Select rate and term in Commitment System
- New documents
 - Rate Lock Guide
 - Change Request
 - Loan Commitment Extension Request

Commitment System



Expanded ACH Discount Availability

	ew- uly 2, 2018	Previous	Guideline
Unsecured & Secured	.25% discount if borrower enrolls in ACH	Unsecured	. 50% discount if borrower enrolls in ACH
		Secured	No discount

Note: No ACH discount on Energy or Accessibility loans

Larger Garage Size Limit

-New- Effective July 2, 2018	Previous Guideline
Garage size limit: 1,000 square feet	Limit: 800 square feet



Less Paperwork for Unsecured Loans

-New- Effective July 2, 2018	Previous Guideline
Unsecured Loan Borrower(s) ownership	 Most recent property
interest	tax statement and
 Most recent property tax statement 	 Copy of the deed



Credit Report Fee

-New- Effective July 2, 2018	Previous Guideline
May charge <i>actual cost</i> of credit report	\$15 limit



Website Tour



Mortgage rates starting at:

View all interest rates



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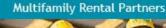
- Buy or Refinance a Home
- Improve Your Home
- : Interest Rates
- : Find a Lender
- : Foreclosure Prevention



- :: Looking for Rent Assistance
- :: Looking for Shelter
- .. Looking for Affordable Rental Housing



- :: Homeownership Lenders
- :: Home Improvement Partners
- :: Real Estate Agents
- :: Community Development
- :: Interest Rates



INVESTORS



- :: Funding
- :: Post-Selection
- : Management, Compliance & Servicing
- :: Grant Programs
- :: Ending Homelessness
- :: Section 8



Thank you!

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Questions?

Call Partner Solutions

651.296.8215 or **800.710.8871**

or email at

MNHousing.Solution@state.mn.us

between 7:30 a.m. and 5:00 p.m. on business days